

June 22, 2010

Yesterday, the House of Representatives passed H.R. 5297, the Small Business Lending Fund Act of 2010. This bill, which I supported, will help expand lending to small businesses and offers tax incentives to help them grow, which in turn will help create new jobs across Georgia.

Specifically, the bill created three new programs to increase lending to small businesses:

- Title I creates a small business loan fund that will boost bank lending to small businesses struggling to gain access to credit due to the financial crisis. The legislation will establish a \$30 billion fund to provide additional capital to community banks to lend to small businesses looking to hire and expand their operations.
- The State Small Business Credit Initiative Program provides \$2 billion in funding for new or existing state lending programs. These programs already exist in around thirty states, and use small amounts of public dollars to generate substantial private bank financing. By supporting existing expertise in states around the country and using an existing model that is easy to replicate, this program will quickly increase small business lending and create jobs.
- The Act establishes a new program within the Small Business Administration (SBA) to provide \$1 billion in financing to support early stage small businesses in the form of true equity financing. This program has twice passed the House of Representatives – in H.R. 3854, the Small Business Financing and Investment Act, and again in H.R. 3738, the Small Business Early Stage Investment Act of 2009 – with strong bipartisan support.

The bill also included an amendment that I cosponsored with my colleague, Congressman Steve Israel (NY-2), that asks banks who receive funds under this program to specifically try to reach out to minority-, women-, and veteran-owned small businesses. These folks are just as important to our economic success, but are often disadvantaged. This bill just makes sure they're being made aware of ability of these funds, too. My amendment passed unanimously, 420-0.

In the past year, I've visited small businesses and met with small business owners in Savannah, Statesboro, Vidalia, Swainsboro, Sandersville, Wrens, and Augusta. I've also hosted a small business informational symposium. Small businesses are the economic engine of our country, and they employ over half of all U.S. workers. If our economy is going to get back on track, we

need to make sure they have the access to capital they need to thrive. This bill does just that, and I was proud to support it.